

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**HB 725 - SB 807**

March 3, 2017

**SUMMARY OF BILL:** Reduces the drug-free zone from 1,000 to 500 feet from a school, child care agency, public library, or park.

**ESTIMATED FISCAL IMPACT:**

**Decrease State Expenditures – \$3,057,400/Incarceration\***

Assumptions:

- Tennessee Code Annotated § 39-17-432 enhances drug offenses under Tenn. Code Ann. § 39-17-417 by one classification if committed within 1,000 feet of a school, child care agency, public library, or park, also known as a “drug-free zone”.
- Statistics from the Department of Correction (DOC), indicate that the following annual admissions relate to drug offenses committed within a drug-free school zone:
  - Class A felony – 11;
  - Class B felony – 24.2;
  - Class C felony – 15.5; and
  - Class D felony – 0.8.
- It is assumed that one-half of these offenses are committed beyond 500 feet from a school.
- It is assumed that the bill will result in six class A felonies (11 x 0.5) being punished as class B felonies, 12 class B felonies (24.2 x 0.5) being punished as class C felonies, eight class C felonies (15.5 x 0.5) being punished as class D felonies, and one class D felony every two years being punished as a class E felony.
- The average time served by felony class is:
  - Class A – 16.79 years;
  - Class B – 6.32 years;
  - Class C – 3.51 years;
  - Class D – 2.23 years; and
  - Class E – 1.4 years.
- According to the DOC, the average operating cost per offender per day for calendar year 2017 is \$68.75.
- According to the U.S. Census Bureau, population growth in Tennessee has been 1.12 percent per year for the past 10 years, yielding a projected compound population growth of 11.78 percent over the next 10 years. Population growth will account for one (6 x 0.1178) less enhancement to a class A felony admission for a total of seven (6 + 1) class

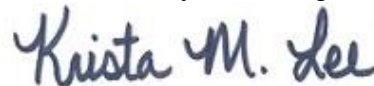
B felony convictions.

- Population growth will account for one (12 x 0.1178) less enhancement to a class B felony admission for a total of 13 (12 + 1) class C felony convictions.
- Population growth will account for one (8 x 0.1178) less enhancement to a class C felony admission for a total of nine (8 + 1) class D felony convictions.
- Population growth will not impact admissions enhanced to a class D felony under current law that would be Class E felony convictions under the provisions of the bill.
- A recidivism discount does not apply to this legislation because it is reducing time served.
- The bill will result in seven offenders each year serving 10.47 fewer years (16.79 – 6.32), or 3,824.17 fewer days, than under current law.
- The bill will decrease state incarceration costs by an estimated \$1,840,382 (3,824.17 days x \$68.75 x 7 offenders) for the seven class B felonies.
- The bill will result in 13 offenders each year serving 2.81 fewer years (6.32 – 3.51), or 1,026.35 fewer days, than under current law.
- The bill will decrease state incarceration costs by an estimated \$917,300 (1,026.35 days x \$68.75 x 13 offenders) for the 13 class C felonies.
- The bill will result in nine offenders each year serving 1.28 fewer years (3.51 – 2.23), or 467.52 fewer days, than under current law.
- The bill will decrease state incarceration costs by an estimated \$289,278 (467.52 days x \$68.75 x 9 offenders) for the nine class D felonies.
- The bill will result in one offender every two years serving 0.83 fewer years (2.23 – 1.4), or 303.16 fewer days, than under current law.
- The bill will decrease state incarceration costs by an estimated \$10,421 [(303.16 days x \$68.75) / 2] for the one class E felony every two years.
- The total decrease in state incarceration costs as a result of the bill is estimated to be \$3,057,381 (\$1,840,382 + \$917,300 + \$289,278 + \$10,421).
- The bill will not affect the caseloads of the courts, district attorneys, or public defenders. It is assumed that they can handle any impact from the bill within their existing resources.

*\*Tennessee Code Annotated § 9-4-210 requires an appropriation from recurring revenues for the estimated operation cost of any law enacted after July 1, 1986 that results in a net increase in periods of imprisonment in state facilities. The amount appropriated shall be based upon the highest cost of the next 10 years.*

## **CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.



Krista M. Lee, Executive Director

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